

FISCAL NOTE

Bill #: HB0089

Title: Revise requirements for automated reporting system for gambling machines

Primary Sponsor: Witt, J

Status: As Introduced

Sponsor signature

Date

David Ewer, Budget Director

Date

Fiscal Summary

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
Expenditures:		
General Fund	\$1,100,000	\$0
State Special Revenue	\$340,000	\$0
Proprietary	\$60,000	\$0
Revenue:		
General Fund	\$0	\$0
State Special Revenue	\$0	\$0
Proprietary	\$0	\$0
Net Impact on General Fund Balance:	(\$1,100,000)	\$0

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- | | |
|--|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input checked="" type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |
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Fiscal Analysis

ASSUMPTIONS:

1. A proposal to replace the current law Automated Accounting and Reporting System (AARS) with an updated database that will allow the division to implement e-commerce efficiencies for submitting tax reports and permit applications is included in the Executive Budget request as a biennial general fund appropriation in FY 2006.
2. The department assumes that passage will not impact the number of machines permitted and in operation in the state.
3. The volume of play and tax collected may increase because of improved efficiencies in the department's ability to collect machine tax data and issue permits, but there is not enough information to estimate the impact.
4. The law currently provides for machine owners to claim tax credits to defray expenses incurred in retrofitting machines to connect to the old direct link AARS system. Because the direct link system is

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(continued)

being replaced with this proposal the credit should be removed, as it is no longer necessary. The department had projected all AARS credits would be used by the end of FY 2005, so no fiscal impact is projected for the elimination of such credits in the coming biennium.

5. Passage of this bill will not impact staffing levels or other operating expenses beyond those requested in HB 2.

FISCAL IMPACT:

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
<u>Expenditures:</u>		
Operating Expenses	\$1,500,000	\$0
<u>Funding of Expenditures:</u>		
General Fund (01)	\$1,100,000	\$0
State Special Revenue (02)	\$340,000	\$0
Proprietary	<u>\$60,000</u>	<u>\$0</u>
TOTAL	\$1,500,000	\$0
<u>Revenues:</u>		
General Fund (01)	\$0	\$0
State Special Revenue (02)	\$0	\$0
Proprietary	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	(\$1,100,000)	\$0
State Special Revenue (02)	(\$340,000)	\$0
Proprietary	(\$60,000)	\$0